

Reserve

Description	FY 2003 Approved	FY 2004 Proposed	% Change
Operating Budget	\$70,000,000	\$0	-100.0

The mission of the Reserve is to protect the District against unforeseen expenditure needs and revenue shortfalls.

The Budgeted Reserve, mandated by Congress, was established as a fiscal safeguard for the District. The reserve funds were obligated and expended in accordance with the Chief Financial Officer of the District of Columbia as well the laws enacted by the D.C. Council. Any amount of the reserve expended in previous fiscal years had to be replenished in the following fiscal year. The Reserve was set at \$150 million in FY 2000 and FY 2001. Pursuant to the District of Columbia Appropriations Act for FY 2002, Public Law 107-96. Congress reduced the budgeted Reserve requirement from \$150 million to \$120 million in FY 2002 and to \$70 million in FY 2003.

Did you know...

The Reserve was established in FY 2000 to protect the District against unforeseen expenditure needs and shortfalls in revenues.

Gross Funds

Beginning in FY 2004 the requirement for the budgeted reserve is eliminated completely and replaced with a set-aside cash reserve in which the District will contribute \$50 million to provide a cushion in the absence of budgeted reserve.

The reserve requirements were phased-out by Congress because of the accumulation of a cash reserve in excess of \$250 million by the District. The proposed Gross Funds budget is \$0, representing a change of -100 percent from the FY 2003 Gross Funds budget of \$70,000,000. There are no FTEs for this agency.

General Fund

Local Funds. No funds are budgeted for the Reserve due to its elimination.

Where the Money Comes From

Table RD0-1 shows the sources of funding for the Reserve.

Table RD0-1

FY 2004 Proposed Operating Budget, by Revenue Type

(dollars in thousands)

	Actual FY 2001	Actual FY 2002	Approved FY 2003	Proposed FY 2004	Change From FY 2003	Percent Change
Local Fund	0	0	70,000	0	-70,000	-100.0
Total for General Fund	0	0	70,000	0	-70,000	-100.0
Gross Funds	0	0	70,000	0	-70,000	-100.0

How the Money is Allocated

Table RD0-2 shows the FY 2004 proposed budget for the agency at the Comptroller Source Group level (Object Class level).

Table RD0-2

FY 2004 Proposed Operating Budget, by Comptroller Source Group

(dollars in thousands)

	Actual FY 2001	Actual FY 2002	Approved FY 2003	Proposed FY 2004	Change from FY 2003	Percent Change
50 Subsidies and Transfers	0	0	70,000	0	-70,000	-100.0
Subtotal Nonpersonal Services (NPS)	0	0	70,000	0	-70,000	-100.0
Total Proposed Operating Budget	0	0	70,000	0	-70,000	-100.0